

ISSAI 1230

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Directriz de auditoría financiera

Documentación de auditoría

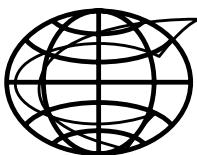
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La presente directriz de auditoría financiera se basa en la Norma Internacional de Auditoría (NIA) 230 "Documentación de auditoría" formulada por el Consejo de Normas Internacionales de Auditoría y Aseguramiento (International Audit and Assurance Standards Board/IAASB) y publicada por la Federación Internacional de Contadores (International Federation of Accountants/IFAC). La NIA se ha incluido en la presente directriz con permiso de la IFAC.

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Nota de Práctica¹ para la Norma Internacional de Auditoría (NIA) 230

Documentación de auditoría

Fundamentos

Esta Nota de Práctica proporciona orientaciones adicionales sobre la NIA 230, «Documentación de auditoría», y debe leerse conjuntamente con ella. La NIA 230 entra en vigor para las auditorías de estados financieros correspondientes a los períodos que comiencen a partir del 15 de diciembre de 2009. Esta Nota de Práctica será efectiva en la misma fecha que la NIA.

Introducción a la NIA

La NIA 230 expone la obligación del auditor de preparar documentación de auditoría en una auditoría de estados financieros y su anexo enumera otras NIA que contienen requisitos y orientaciones específicos en materia de documentación, pero que no limitan su contenido. La legislación o la reglamentación pueden establecer requisitos adicionales en materia de documentación.

Contenido de la Nota de Práctica

- P1. La Nota de Práctica proporciona orientaciones adicionales para los auditores del sector público en relación con los aspectos siguientes:
- a) Documentación de los procedimientos de auditoría aplicados y evidencia de auditoría obtenida.
 - b) Compilación del expediente final de auditoría.
 - c) Cuestiones de confidencialidad y transparencia.
 - d) Consideraciones específicas en materia de documentación para auditores del sector público con funciones jurisdiccionales.

Aplicabilidad de la NIA en la auditoría del sector público

- P2. La NIA 230 es aplicable a los auditores del sector público en el desempeño de su función de auditores de los estados financieros.

¹ Todas las Notas de Práctica habrán de leerse conjuntamente con la ISSAI 1000 «Introducción general a las directrices de auditoría financiera de la INTOSAI».

Orientaciones adicionales sobre cuestiones ligadas al sector público

Documentación de los procedimientos de auditoría aplicados y evidencia de auditoría obtenida

- P3. El párrafo 8, letra c) de la NIA establece que el auditor debe preparar una documentación de auditoría suficiente para permitir a un auditor experimentado, que no haya tenido conexión previa con la auditoría, entender los asuntos importantes que surjan en el curso de ésta, las conclusiones alcanzadas al respecto y los principales juicios profesionales ejercidos para alcanzar dichas conclusiones. El párrafo A8 de la NIA explica que para juzgar la importancia de un asunto es necesario un análisis objetivo de los hechos y las circunstancias, y presenta ejemplos de asuntos importantes. Los auditores del sector público pueden tener que informar sobre una amplia serie de asuntos importantes que no formen parte de su informe de auditoría de los estados financieros, o cuestiones que puedan no dar lugar a incorrecciones materiales en la información financiera o en otra información conexa presentada. Como ejemplos de tales asuntos pueden citarse la falta de conformidad con la legislación o con el mandato aprobado, infracciones a las disposiciones contractuales o a los acuerdos de subvención, ausencia de autorización o incorrección de gastos, la ejecución presupuestaria, la certificación del déficit/superávit anual, las evaluaciones de financiación y costes de programas, o la información sobre indicadores de resultados.

Compilación del expediente final de auditoría

- P4. Conforme al párrafo 14 de la NIA, el auditor debe recoger la documentación de auditoría en un expediente y completar el proceso administrativo de compilación del expediente final de auditoría en tiempo oportuno tras la fecha del informe del auditor. El párrafo A21 de la NIA explica que un máximo de 60 días después de la fecha del informe del auditor suele ser un plazo adecuado para completar la compilación de dicho expediente. En el sector público, el proceso de finalización hasta la fecha del informe del auditor puede ser prolongado debido a los procedimientos de consulta con la entidad auditada u otras partes. No obstante, ello no obstará a la compilación en tiempo oportuno del expediente final.
- P5. El párrafo A23 de la NIA hace referencia a la norma internacional sobre control de calidad (NICC) 1², según la cual las organizaciones de auditoría han de establecer políticas y procedimientos para la conservación de documentación relativa a trabajos de auditoría. Como indica el párrafo A61 de la NICC 1, el periodo de conservación por regla general no ha de ser inferior a cinco años a partir de la fecha del informe del auditor. En el sector público pueden existir requisitos para la conservación de la documentación de auditoría durante periodos más prolongados o más cortos, debido a la importancia histórica de determinados tipos de documentos que, por ejemplo, pueden requerir la conservación indefinida en los archivos nacionales de un país. Asimismo, pueden existir requisitos adicionales relativos a las clasificaciones de seguridad nacionales, incluido el modo de archivo de la documentación. Los auditores del sector público se familiarizarán con la legislación aplicable en materia de conservación de documentación.

2 NICC 1, "Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements" (Control de calidad para empresas que efectúan auditorías y revisiones de estados financieros y otros servicios de fiabilidad conexos).

Aspectos de confidencialidad y transparencia

- P6. Aunque la NIA 230 no aborda los aspectos de confidencialidad, custodia, integridad, accesibilidad y recuperabilidad de la documentación de trabajo, estos aspectos se tratan en la NICC 1 en el contexto de las obligaciones de organización de una auditoría. El párrafo A56 de la NICC 1 indica que las exigencias éticas pertinentes establecen la obligación para el personal de la organización auditora de observar siempre la confidencialidad de la información incluida en la documentación del trabajo, a menos que la entidad haya autorizado específicamente revelarla, o que exista una obligación legal o profesional para hacerlo.
- P7. Una diferencia fundamental entre los sectores privado y público estriba en que en este último pueden existir exigencias legislativas específicas en materia de confidencialidad por una parte, y derechos de acceso atribuidos a terceros, por otra. En el sector público se da la necesidad constante de equilibrar la confidencialidad y la necesidad de transparencia y rendición de cuentas.
- P8. El equilibrio entre confidencialidad y transparencia exige el ejercicio del juicio profesional para garantizar que la documentación de naturaleza confidencial se identifique claramente y se trate como tal, permitiendo al mismo tiempo el acceso adecuado a la misma. Así pues, es importante conocer las políticas y procedimientos de las entidades fiscalizadoras superiores en materia de confidencialidad. Estos procedimientos pueden incluir los tipos de documentación de auditoría que pueden ponerse a disposición del público, unas líneas de responsabilidad claramente definidas para la autorización de la revelación de dicha documentación y los procedimientos para facilitar la información, en su caso.
- P9. Por otra parte, los auditores del sector público pueden tener otras obligaciones normativas en materia de confidencialidad, basadas en el mandato de la entidad fiscalizadora superior de que se trate, o en la legislación relativa a secretos oficiales o a la intimidad. Dicha legislación, por ejemplo, podría afectar a auditorías de organismos de defensa, sanidad, servicios sociales o agencias tributarias. Los auditores del sector público deberán familiarizarse con las exigencias locales particulares a las que están sujetos por lo que a confidencialidad se refiere.
- P10. Asimismo, los auditores del sector público se informarán de cualquier legislación que permita el acceso público a la correspondencia de auditoría, por ejemplo, en los casos en que diarios electrónicos o de otro tipo están sometidos al control público. Este tipo de correspondencia puede incluir cartas dirigidas a la entidad auditada o remitidas por ésta, u otras partes, en relación con la obtención de evidencia de auditoría, así como consideraciones y juicios relativos a cuestiones de auditoría.
- P11. No es inusual en el sector público tener que responder a solicitudes externas de acceso a documentación de auditoría. Esto puede ser especialmente delicado cuando la parte externa intenta obtener indirectamente de la organización auditora información que no puede obtener directamente de la entidad auditada.
- P12. En principio, cuando la entidad auditada tenga la obligación normativa de compilar y conservar determinada información, las solicitudes de dicha información procedentes de terceros por lo general se transmitirán a la entidad auditada.

- P13. En situaciones en que auditores del sector público estudian la posibilidad de conceder acceso a documentación de auditoría, normalmente consultan a las partes interesadas (como la entidad auditada a la cual se refiere la solicitud) antes de revelar la información. En tales casos el auditor del sector público se asegurará de que aquellos a quienes se conceda el acceso se atengan al menos al mismo nivel de confidencialidad que el propio auditor.
- P14. En ciertos entornos, el trabajo de auditoría del sector público es subcontratado por la entidad fiscalizadora superior a otros auditores. La aceptación de este tipo de encargos suele implicar que el auditor que realiza el trabajo reconozca que la documentación de auditoría puede estar sujeta a la inspección de la entidad fiscalizadora superior que procedió a su nombramiento. Asimismo, dicha documentación puede ser objeto de inspección por parte de organismos de control que tengan derechos estatutarios de acceso a información relacionada con las obligaciones del auditor.

Consideraciones específicas con respecto a la documentación para auditores del sector público con funciones jurisdiccionales

- P15. En algunos entornos del sector público, como en un tribunal de cuentas, los auditores pueden estar sujetos a leyes y reglamentos que les exigen comprender y seguir unos procedimientos de documentación precisos en relación con las normas en materia probatoria. Los auditores del sector público adquirirán conocimientos de las políticas y los procedimientos que describan los requisitos suplementarios relativos a la documentación de auditoría y que están concebidos para garantizar el cumplimiento de las normas aplicables en materia probatoria. La documentación puede estar afectada por los siguientes factores, que serán tenidos en cuenta por el auditor:
- Legislación que imponga requisitos complementarios sobre documentación de auditoría.
 - El alcance de tales requisitos (si se han de aplicar a todos los documentos de la auditoría o a documentos específicos relativos a determinados asuntos de la auditoría).
 - Tratamiento, formalidades o exigencias adicionales a los que estén sujetos los documentos de auditoría.
 - La finalidad de cada exigencia adicional sobre garantías de protección legal al seguir las etapas de la auditoría.
 - Cualquier otro obstáculo que se pueda plantear a la documentación de auditoría debido a la manera particular en que se haya obtenido o elaborado.
- P16. Para los auditores del sector público con una función jurisdiccional, como un tribunal de cuentas, la documentación forma parte de la base de la decisión oficial. En este tipo de entorno, las garantías de protección legal pueden imponer el respeto de unos requisitos específicos y estrictos de la confidencialidad de la documentación en relación con la tramitación de una acción judicial. Además, puesto que las decisiones pueden dar lugar a un crédito público jurídicamente vinculante, pueden existir otros requisitos de conservación de documentación que deban respetar los auditores del sector público.
- P17. Los auditores del sector público que actúen en los tipos de entornos mencionados en el párrafo P15 deberán familiarizarse con las leyes y reglamentos aplicables al respecto.

**International
Auditing and
Assurance
Standards
Board**

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International Standard on Auditing

Audit Documentation



**International Federation
of Accountants**

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This International Standard on Auditing (ISA) 230, “Audit Documentation” was prepared by the International Auditing and Assurance Standards Board (IAASB), an independent standard-setting body within the International Federation of Accountants (IFAC). The objective of the IAASB is to serve the public interest by setting high quality auditing and assurance standards and by facilitating the convergence of international and national standards, thereby enhancing the quality and uniformity of practice throughout the world and strengthening public confidence in the global auditing and assurance profession.

This publication may be downloaded free of charge from the IFAC website: <http://www.ifac.org>. The approved text is published in the English language.

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INTERNATIONAL STANDARD ON AUDITING 230

AUDIT DOCUMENTATION

(Effective for audits of financial statements for periods
beginning on or after December 15, 2009)

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International Standard on Auditing (ISA) 230, “Audit Documentation” should be read in conjunction with ISA 200, “Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing.”

Introduction

Scope of this ISA

1. This International Standard on Auditing (ISA) deals with the auditor's responsibility to prepare audit documentation for an audit of financial statements. The Appendix lists other ISAs that contain specific documentation requirements and guidance. The specific documentation requirements of other ISAs do not limit the application of this ISA. Law or regulation may establish additional documentation requirements.

Nature and Purposes of Audit Documentation

2. Audit documentation that meets the requirements of this ISA and the specific documentation requirements of other relevant ISAs provides:
 - (a) Evidence of the auditor's basis for a conclusion about the achievement of the overall objectives of the auditor;¹ and
 - (b) Evidence that the audit was planned and performed in accordance with ISAs and applicable legal and regulatory requirements.
3. Audit documentation serves a number of additional purposes, including the following:
 - Assisting the engagement team to plan and perform the audit.
 - Assisting members of the engagement team responsible for supervision to direct and supervise the audit work, and to discharge their review responsibilities in accordance with ISA 220.²
 - Enabling the engagement team to be accountable for its work.
 - Retaining a record of matters of continuing significance to future audits.
 - Enabling the conduct of quality control reviews and inspections in accordance with ISQC 1³ or national requirements that are at least as demanding.⁴
 - Enabling the conduct of external inspections in accordance with applicable legal, regulatory or other requirements.

¹ ISA 200, "Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing," paragraph 11.

² ISA 220, "Quality Control for an Audit of Financial Statements," paragraphs 15-17.

³ ISQC 1, "Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements," paragraphs 32-33, 35-38, and 48.

⁴ ISA 220, paragraph 2.

Effective Date

4. This ISA is effective for audits of financial statements for periods beginning on or after December 15, 2009.

Objective

5. The objective of the auditor is to prepare documentation that provides:
 - (a) A sufficient and appropriate record of the basis for the auditor's report; and
 - (b) Evidence that the audit was planned and performed in accordance with ISAs and applicable legal and regulatory requirements.

Definitions

6. For purposes of the ISAs, the following terms have the meanings attributed below:
 - (a) Audit documentation – The record of audit procedures performed, relevant audit evidence obtained, and conclusions the auditor reached (terms such as “working papers” or “workpapers” are also sometimes used).
 - (b) Audit file – One or more folders or other storage media, in physical or electronic form, containing the records that comprise the audit documentation for a specific engagement.
 - (c) Experienced auditor – An individual (whether internal or external to the firm) who has practical audit experience, and a reasonable understanding of:
 - (i) Audit processes;
 - (ii) ISAs and applicable legal and regulatory requirements;
 - (iii) The business environment in which the entity operates; and
 - (iv) Auditing and financial reporting issues relevant to the entity's industry.

Requirements

Timely Preparation of Audit Documentation

7. The auditor shall prepare audit documentation on a timely basis. (Ref: Para. A1)

Documentation of the Audit Procedures Performed and Audit Evidence Obtained

Form, Content and Extent of Audit Documentation

8. The auditor shall prepare audit documentation that is sufficient to enable an experienced auditor, having no previous connection with the audit, to understand: (Ref: Para. A2-A5, A16-A17)
 - (a) The nature, timing and extent of the audit procedures performed to comply with the ISAs and applicable legal and regulatory requirements; (Ref: Para. A6-A7)
 - (b) The results of the audit procedures performed, and the audit evidence obtained; and
 - (c) Significant matters arising during the audit, the conclusions reached thereon, and significant professional judgments made in reaching those conclusions. (Ref: Para. A8-A11)
9. In documenting the nature, timing and extent of audit procedures performed, the auditor shall record:
 - (a) The identifying characteristics of the specific items or matters tested; (Ref: Para. A12)
 - (b) Who performed the audit work and the date such work was completed; and
 - (c) Who reviewed the audit work performed and the date and extent of such review. (Ref: Para. A13)
10. The auditor shall document discussions of significant matters with management, those charged with governance, and others, including the nature of the significant matters discussed and when and with whom the discussions took place. (Ref: Para. A14)
11. If the auditor identified information that is inconsistent with the auditor's final conclusion regarding a significant matter, the auditor shall document how the auditor addressed the inconsistency. (Ref: Para. A15)

Departure from a Relevant Requirement

12. If, in exceptional circumstances, the auditor judges it necessary to depart from a relevant requirement in an ISA, the auditor shall document how the alternative audit procedures performed achieve the aim of that requirement, and the reasons for the departure. (Ref: Para. A18-A19)

Matters Arising after the Date of the Auditor's Report

13. If, in exceptional circumstances, the auditor performs new or additional audit procedures or draws new conclusions after the date of the auditor's report, the auditor shall document: (Ref: Para. A20)
 - (a) The circumstances encountered;
 - (b) The new or additional audit procedures performed, audit evidence obtained, and conclusions reached, and their effect on the auditor's report; and
 - (c) When and by whom the resulting changes to audit documentation were made and reviewed.

Assembly of the Final Audit File

14. The auditor shall assemble the audit documentation in an audit file and complete the administrative process of assembling the final audit file on a timely basis after the date of the auditor's report. (Ref: Para. A21-A22)
15. After the assembly of the final audit file has been completed, the auditor shall not delete or discard audit documentation of any nature before the end of its retention period. (Ref: Para. A23)
16. In circumstances other than those envisaged in paragraph 13 where the auditor finds it necessary to modify existing audit documentation or add new audit documentation after the assembly of the final audit file has been completed, the auditor shall, regardless of the nature of the modifications or additions, document: (Ref: Para. A24)
 - (a) The specific reasons for making them; and
 - (b) When and by whom they were made and reviewed.

Application and Other Explanatory Material

Timely Preparation of Audit Documentation (Ref: Para. 7)

- A1. Preparing sufficient and appropriate audit documentation on a timely basis helps to enhance the quality of the audit and facilitates the effective review and evaluation of the audit evidence obtained and conclusions reached before the auditor's report is finalized. Documentation prepared after the audit work has been performed is likely to be less accurate than documentation prepared at the time such work is performed.

Documentation of the Audit Procedures Performed and Audit Evidence Obtained

Form, Content and Extent of Audit Documentation (Ref: Para. 8)

- A2. The form, content and extent of audit documentation depend on factors such as:
- The size and complexity of the entity.
 - The nature of the audit procedures to be performed.
 - The identified risks of material misstatement.
 - The significance of the audit evidence obtained.
 - The nature and extent of exceptions identified.
 - The need to document a conclusion or the basis for a conclusion not readily determinable from the documentation of the work performed or audit evidence obtained.
 - The audit methodology and tools used.
- A3. Audit documentation may be recorded on paper or on electronic or other media. Examples of audit documentation include:
- Audit programs.
 - Analyses.
 - Issues memoranda.
 - Summaries of significant matters.
 - Letters of confirmation and representation.
 - Checklists.
 - Correspondence (including e-mail) concerning significant matters.
- The auditor may include abstracts or copies of the entity's records (for example, significant and specific contracts and agreements) as part of audit documentation. Audit documentation, however, is not a substitute for the entity's accounting records.
- A4. The auditor need not include in audit documentation superseded drafts of working papers and financial statements, notes that reflect incomplete or preliminary thinking, previous copies of documents corrected for typographical or other errors, and duplicates of documents.
- A5. Oral explanations by the auditor, on their own, do not represent adequate support for the work the auditor performed or conclusions the auditor

reached, but may be used to explain or clarify information contained in the audit documentation.

Documentation of Compliance with ISAs (Ref: Para. 8(a))

- A6. In principle, compliance with the requirements of this ISA will result in the audit documentation being sufficient and appropriate in the circumstances. Other ISAs contain specific documentation requirements that are intended to clarify the application of this ISA in the particular circumstances of those other ISAs. The specific documentation requirements of other ISAs do not limit the application of this ISA. Furthermore, the absence of a documentation requirement in any particular ISA is not intended to suggest that there is no documentation that will be prepared as a result of complying with that ISA.
- A7. Audit documentation provides evidence that the audit complies with the ISAs. However, it is neither necessary nor practicable for the auditor to document every matter considered, or professional judgment made, in an audit. Further, it is unnecessary for the auditor to document separately (as in a checklist, for example) compliance with matters for which compliance is demonstrated by documents included within the audit file. For example:
- The existence of an adequately documented audit plan demonstrates that the auditor has planned the audit.
 - The existence of a signed engagement letter in the audit file demonstrates that the auditor has agreed the terms of the audit engagement with management or, where appropriate, those charged with governance.
 - An auditor's report containing an appropriately qualified opinion on the financial statements demonstrates that the auditor has complied with the requirement to express a qualified opinion under the circumstances specified in the ISAs.
 - In relation to requirements that apply generally throughout the audit, there may be a number of ways in which compliance with them may be demonstrated within the audit file:
 - For example, there may be no single way in which the auditor's professional skepticism is documented. But the audit documentation may nevertheless provide evidence of the auditor's exercise of professional skepticism in accordance with the ISAs. Such evidence may include specific procedures performed to corroborate management's responses to the auditor's inquiries.

- Similarly, that the engagement partner has taken responsibility for the direction, supervision and performance of the audit in compliance with the ISAs may be evidenced in a number of ways within the audit documentation. This may include documentation of the engagement partner's timely involvement in aspects of the audit, such as participation in the team discussions required by ISA 315.⁵

Documentation of Significant Matters and Related Significant Professional Judgments (Ref: Para. 8(c))

- A8. Judging the significance of a matter requires an objective analysis of the facts and circumstances. Examples of significant matters include:
- Matters that give rise to significant risks (as defined in ISA 315).⁶
 - Results of audit procedures indicating (a) that the financial statements could be materially misstated, or (b) a need to revise the auditor's previous assessment of the risks of material misstatement and the auditor's responses to those risks.
 - Circumstances that cause the auditor significant difficulty in applying necessary audit procedures.
 - Findings that could result in a modification to the audit opinion or the inclusion of an Emphasis of Matter paragraph in the auditor's report.
- A9. An important factor in determining the form, content and extent of audit documentation of significant matters is the extent of professional judgment exercised in performing the work and evaluating the results. Documentation of the professional judgments made, where significant, serves to explain the auditor's conclusions and to reinforce the quality of the judgment. Such matters are of particular interest to those responsible for reviewing audit documentation, including those carrying out subsequent audits when reviewing matters of continuing significance (for example, when performing a retrospective review of accounting estimates).
- A10. Some examples of circumstances in which, in accordance with paragraph 8, it is appropriate to prepare audit documentation relating to the use of professional judgment include, where the matters and judgments are significant:

⁵ ISA 315, "Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and Its Environment," paragraph 10.

⁶ ISA 315, paragraph 4(e).

- The rationale for the auditor’s conclusion when a requirement provides that the auditor “shall consider” certain information or factors, and that consideration is significant in the context of the particular engagement.
- The basis for the auditor’s conclusion on the reasonableness of areas of subjective judgments (for example, the reasonableness of significant accounting estimates).
- The basis for the auditor’s conclusions about the authenticity of a document when further investigation (such as making appropriate use of an expert or of confirmation procedures) is undertaken in response to conditions identified during the audit that caused the auditor to believe that the document may not be authentic.

A11. The auditor may consider it helpful to prepare and retain as part of the audit documentation a summary (sometimes known as a completion memorandum) that describes the significant matters identified during the audit and how they were addressed, or that includes cross-references to other relevant supporting audit documentation that provides such information. Such a summary may facilitate effective and efficient reviews and inspections of the audit documentation, particularly for large and complex audits. Further, the preparation of such a summary may assist the auditor’s consideration of the significant matters. It may also help the auditor to consider whether, in light of the audit procedures performed and conclusions reached, there is any individual relevant ISA objective that the auditor cannot achieve that would prevent the auditor from achieving the overall objectives of the auditor.

Identification of Specific Items or Matters Tested, and of the Preparer and Reviewer
(Ref: Para. 9)

- A12. Recording the identifying characteristics serves a number of purposes. For example, it enables the engagement team to be accountable for its work and facilitates the investigation of exceptions or inconsistencies. Identifying characteristics will vary with the nature of the audit procedure and the item or matter tested. For example:
- For a detailed test of entity-generated purchase orders, the auditor may identify the documents selected for testing by their dates and unique purchase order numbers.
 - For a procedure requiring selection or review of all items over a specific amount from a given population, the auditor may record the scope of the procedure and identify the population (for example, all journal entries over a specified amount from the journal register).

- For a procedure requiring systematic sampling from a population of documents, the auditor may identify the documents selected by recording their source, the starting point and the sampling interval (for example, a systematic sample of shipping reports selected from the shipping log for the period from April 1 to September 30, starting with report number 12345 and selecting every 125th report).
- For a procedure requiring inquiries of specific entity personnel, the auditor may record the dates of the inquiries and the names and job designations of the entity personnel.
- For an observation procedure, the auditor may record the process or matter being observed, the relevant individuals, their respective responsibilities, and where and when the observation was carried out.

A13. ISA 220 requires the auditor to review the audit work performed through review of the audit documentation.⁷ The requirement to document who reviewed the audit work performed does not imply a need for each specific working paper to include evidence of review. The requirement, however, means documenting what audit work was reviewed, who reviewed such work, and when it was reviewed.

Documentation of Discussions of Significant Matters with Management, Those Charged with Governance, and Others (Ref: Para. 10)

A14. The documentation is not limited to records prepared by the auditor but may include other appropriate records such as minutes of meetings prepared by the entity's personnel and agreed by the auditor. Others with whom the auditor may discuss significant matters may include other personnel within the entity, and external parties, such as persons providing professional advice to the entity.

Documentation of How Inconsistencies have been Addressed (Ref: Para. 11)

A15. The requirement to document how the auditor addressed inconsistencies in information does not imply that the auditor needs to retain documentation that is incorrect or superseded.

Considerations Specific to Smaller Entities (Ref. Para. 8)

A16. The audit documentation for the audit of a smaller entity is generally less extensive than that for the audit of a larger entity. Further, in the case of an audit where the engagement partner performs all the audit work, the documentation will not include matters that might have to be documented

⁷ ISA 220, paragraph 17.

solely to inform or instruct members of an engagement team, or to provide evidence of review by other members of the team (for example, there will be no matters to document relating to team discussions or supervision). Nevertheless, the engagement partner complies with the overriding requirement in paragraph 8 to prepare audit documentation that can be understood by an experienced auditor, as the audit documentation may be subject to review by external parties for regulatory or other purposes.

- A17. When preparing audit documentation, the auditor of a smaller entity may also find it helpful and efficient to record various aspects of the audit together in a single document, with cross-references to supporting working papers as appropriate. Examples of matters that may be documented together in the audit of a smaller entity include the understanding of the entity and its internal control, the overall audit strategy and audit plan, materiality determined in accordance with ISA 320,⁸ assessed risks, significant matters noted during the audit, and conclusions reached.

Departure from a Relevant Requirement (Ref: Para. 12)

- A18. The requirements of the ISAs are designed to enable the auditor to achieve the objectives specified in the ISAs, and thereby the overall objectives of the auditor. Accordingly, other than in exceptional circumstances, the ISAs call for compliance with each requirement that is relevant in the circumstances of the audit.
- A19. The documentation requirement applies only to requirements that are relevant in the circumstances. A requirement is not relevant⁹ only in the cases where:
- (a) The entire ISA is not relevant (for example, if an entity does not have an internal audit function, nothing in ISA 610¹⁰ is relevant); or
 - (b) The requirement is conditional and the condition does not exist (for example, the requirement to modify the auditor's opinion where there is an inability to obtain sufficient appropriate audit evidence, and there is no such inability).

Matters Arising after the Date of the Auditor's Report (Ref: Para. 13)

- A20. Examples of exceptional circumstances include facts which become known to the auditor after the date of the auditor's report but which existed at that date and which, if known at that date, might have caused the financial

⁸ ISA 320, "Materiality in Planning and Performing an Audit."

⁹ ISA 200, paragraph 22.

¹⁰ ISA 610, "Using the Work of Internal Auditors."

statements to be amended or the auditor to modify the opinion in the auditor's report.¹¹ The resulting changes to the audit documentation are reviewed in accordance with the review responsibilities set out in ISA 220,¹² with the engagement partner taking final responsibility for the changes.

Assembly of the Final Audit File (Ref: Para. 14-16)

- A21. ISQC 1 (or national requirements that are at least as demanding) requires firms to establish policies and procedures for the timely completion of the assembly of audit files.¹³ An appropriate time limit within which to complete the assembly of the final audit file is ordinarily not more than 60 days after the date of the auditor's report.¹⁴
- A22. The completion of the assembly of the final audit file after the date of the auditor's report is an administrative process that does not involve the performance of new audit procedures or the drawing of new conclusions. Changes may, however, be made to the audit documentation during the final assembly process if they are administrative in nature. Examples of such changes include:
- Deleting or discarding superseded documentation.
 - Sorting, collating and cross-referencing working papers.
 - Signing off on completion checklists relating to the file assembly process.
 - Documenting audit evidence that the auditor has obtained, discussed and agreed with the relevant members of the engagement team before the date of the auditor's report.
- A23. ISQC 1 (or national requirements that are at least as demanding) requires firms to establish policies and procedures for the retention of engagement documentation.¹⁵ The retention period for audit engagements ordinarily is no shorter than five years from the date of the auditor's report, or, if later, the date of the group auditor's report.¹⁶
- A24. An example of a circumstance in which the auditor may find it necessary to modify existing audit documentation or add new audit documentation after

¹¹ ISA 560, "Subsequent Events," paragraph 14.

¹² ISA 220, paragraph 16.

¹³ ISQC 1, paragraph 45.

¹⁴ ISQC 1, paragraph A54.

¹⁵ ISQC 1, paragraph 47.

¹⁶ ISQC 1, paragraph A61.

file assembly has been completed is the need to clarify existing audit documentation arising from comments received during monitoring inspections performed by internal or external parties.

